



# $\alpha^2$ Capital

Market Recap: Week 21  
(5/20/2020 – 5/26/2020)

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Stocks end the day higher as the S&P 500 and Nasdaq reach their highest points throughout the COVID-19 recovery.

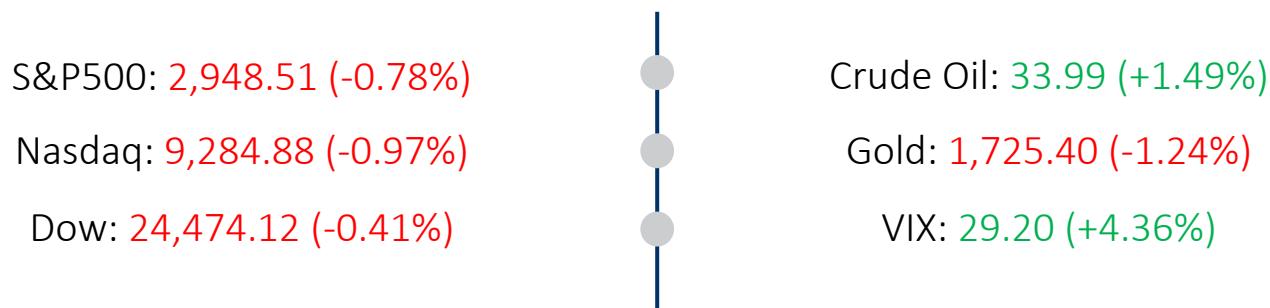
S&P500: 2,971.61 (+1.67%)  
Nasdaq: 9,375.78 (+2.08%)  
Dow: 24,575.90 (+1.52%)



Crude Oil: 33.49 (+5.13%)  
Gold: 1,747.16 (+0.14%)  
VIX: 27.99 (-8.32%)

Equities continue to rebound as the S&P 500 is up 35.57% from the March 23<sup>rd</sup> lows. From a technical standpoint, the S&P 500 may soon have resistance as the index approaches 3,000 and the 200-day MA. Being an important institutional level of support, surpassing the 200-day MA would be a very bullish indicator for the index and equities across the market. Foreign markets were relatively flat around the globe, showing how both domestic and foreign investor inflows have been most evident in U.S. markets.

Equities slide as 10 out of the 11 S&P 500 sectors end the day lower.



Industrials are the only sector to end the day green (+0.16%) as Energy and Tech dragged the market down. British pharmaceutical company, Astrazeneca (\$AZN, +2.79%), gets a boost as the U.S. government provides \$1 Billion to the company for COVID-19 vaccine research. Total market put/call ratio rises over 10% as the S&P 500 approaches a major resistance point at the 200-day moving average. Oil continues its rally as investors now hold a more optimistic view of the commodity as states continue to reopen their economies.

Markets end the week mixed as political uncertainty in China rises.

S&P500: 2,955.45 (+0.24%)  
Nasdaq: 9,324.59 (+0.43%)  
Dow: 24,465.16 (-0.04%)



Crude Oil: 33.38 (-1.37%)  
Gold: 1,734.52 (+0.48%)  
VIX: 28.12 (-4.77%)

The Hang Seng Index ([\\$HSI, -5.56%](#)) fell sharply on Friday after mainland China announces new security laws for Hong Kong. The new laws (which includes provisions for treason, secession, sedition and subversion) could be worrisome not only for Hong Kong but equity markets around the world. In the U.S., the Dow posts the best weekly gain since April and the S&P 500 and Nasdaq end the week in the green. The S&P 500 also closed above the .618 Fibonacci retracement level, marking a bullish technical close into the weekend. Nvidia ([\\$NVDA, +2.86%](#)) beats earnings, carrying semiconductors higher.

Monday 5/25/2020

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~ U.S. markets closed in observance of Memorial Day ~



Markets rise as the economy continues the reopening process.

S&P500: 2,991.77 (+1.23%)  
Nasdaq: 9,340.22 (+0.17%)  
Dow: 24,995.10 (+2.17%)



Crude Oil: 34.19 (+1.04%)  
Gold: 1,712.10 (-0.83%)  
VIX: 28.43 (+1.21%)

Major indices open the day up big after futures surged higher on Memorial Day. After gapping higher at the open, equities had a choppy trading session with both the S&P 500 and Nasdaq closing lower than their opening prices this morning. Industrials and financials pushed markets higher as value stocks outperformed growth stocks in Tuesday's trading session. JP Morgan Chase & Company (\$JPM, +7.10%) carried the financials sector higher as the company works to gain footing following the COVID-19 correction. Airlines moved higher as well as Southwest Airlines (\$LUV, +12.64%) gives a boost to the industrials sector.

## Disclosure

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